

Message Text

UNCLASSIFIED

PAGE 01 KINSHA 00320 121139Z

ACTION AF-10

INFO OCT-01 ISO-00 SS-15 NSC-05 CIAE-00 DODE-00 INR-07

NSAE-00 PA-02 PRS-01 SP-02 EB-08 TRSE-00 OMB-01

FRB-01 /053 W

-----127647 121215Z /10

R 121115Z JAN 78

FM AMEMBASSY KINSHASA

TO USINFO WASHDC

INFO SECSTATE WASHDC 7631

UNCLAS KINSHASA 0320

USIAC

AGENCY FOR IOP/M; IAA

STATE FOR AF/P

E.O. 11652: N/A

TAGS: N/A

SUBJECT: MEDIA REACTION: US DOLLAR

1. "THE REPLACEMENT OF THE FEDERAL RESERVE BANK CHAIRMAN BURNS MEANS THAT THE DECLINE OF THE DOLLAR HAS SOMETHING TO DO WITH INDIVIDUALS," SAYS PROFESSOR TSHIUNZU MBIYE OF ZAIRE'S NATIONAL UNIVERSITY (UNAZA) IN A FRONT PAGE EDITORIAL IN KINSHASA DAILY ELIMA (JANUARY 11).

2. "WHEN ONE CONSIDERS THE INFLUENCE OF THE DOLLAR IN DEFINING THE SPECIAL DRAWING RIGHTS SYSTEM, ONE THEN HAS TO REALIZE THAT THE DECLINE HAS REPERCUSSIONS ON THE STABILITY OF THE SDR AND, CONSEQUENTLY, ON ZAIRIAN MONEY," CONTINUES PROFESSOR TSHIUNZU.

3. "WHY ARE AMERICANS ALLOWING THEIR MONEY TO LOSE MUCH OF ITS VALUE ON THE EXCHANGE MARKETS?" ASK PROFESSOR
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 KINSHA 00320 121139Z

TSHIUNZU, WHO CONTINUES:"THERE IS SOME NEGLIGENCE ON THE PART OF THE US GOVERNMENT WHICH IS NOT WORRIED ABOUT HOW THE DOLLAR IS DOING IN FOREIGN MARKETS. BECAUSE THEY USE THEIR OWN MONEY TO PURCHASE IN FOREIGN MARKETS, AMERICANS TO A CERTAIN EXTENT CAN AFFORD NOT TO WORRY ABOUT THE DEFICIT IN THEIR CURRENT BALANCE OF PAYMENTS. CERTAINLY, ALL CURRENCIES, INCLUDING THE SDR, ARE FLOATING. BUT,

THE FLOATING IS NOT QUITE TOTAL BECAUSE THE CENTRAL BANKS INTERVENE IN THE EXCHANGE MARKETS IN ORDER TO LIMIT FLUCTUATIONS. THIS IS THE TACT THAT THE US TREASURY IS TAKING; IN OTHER WORDS: IT IS PRACTICING SILENT CARELESSNESS. THE US SEEKS, IN THIS MANNER, TO EXPORT MORE AND MORE TO COUNTRIES WITH STRONG CURRENCIES. JUST IMAGINE AMERICAN PRODUCTS BEING CHEAPER BY 18 PER CENT IN JAPAN, 32 PER CENT IN GERMANY AND 44 PER CENT IN SWITZERLAND."

4. PROFESSOR TSHIUNZU GOES ON TO ARGUE THAT BY "INCREASING HER EXPORTS AND DECREASING HER IMPORTS, THE US HOPES TO REDUCE NOT ONLY THE CURRENT DEFICIT IN ITS BALANCE OF PAYMENTS, BUT ALSO TO FIGHT UNEMPLOYMENT. WITH A SINGLE STONE THE US WILL HAVE KILLED TWO BIRDS."

5. PROFESSOR TSHIUNZU CLAIMS THAT THE US GOVERNMENT, "WHOSE FIGHT AGAINST UNEMPLOYMENT IS A PRIORITY (THE RATE OF UNEMPLOYMENT FOR BLACK AMERICANS IS 15 PER CENT WHILE THE NATIONAL AVERAGE IS 1 PER CENT), HAS FOUND A WAY TO SOLVE ITS PROBLEM."

6. IN CONCLUSION PROF. TSHIUNZU ASKS WHETHER OR NOT IF WHAT IS GOOD FOR THE US IS GOOD FOR EUROPE AND ITS "SATELLITES" AND IF AMERICANS STILL BELIEVE THAT WHAT IS GOOD FOR GENERAL MOTORS IS GOOD FOR AMERICA.
ITEM
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 KINSHA 00320 121139Z

DUMAS

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, DOLLAR
Control Number: n/a
Copy: SINGLE
Draft Date: 12 jan 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978KINSHA00320
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780018-0313
Format: TEL
From: KINSHASA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780169/aaaacgka.tel
Line Count: 95
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: ee38fce3-c288-dd11-92da-001cc4696bcc
Office: ACTION AF
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 16 feb 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3783150
Secure: OPEN
Status: NATIVE
Subject: MEDIA REACTION: US DOLLAR
TAGS: SOPN, EFIN
To: USIA
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/ee38fce3-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014